

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7162**

**BILL NUMBER:** HB 1378

**NOTE PREPARED:** Dec 28, 2004

**BILL AMENDED:**

**SUBJECT:** Flexible School Corporation Spending.

**FIRST AUTHOR:** Rep. Klinker

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** Local

**Summary of Legislation:** This bill allows the board of school trustees in a third class city to levy a tax of up to \$0.05 per \$100 of assessed valuation to pay for certain recreational expenses of the school corporation.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** The School Playground Fund is not specifically excluded from the Property Tax Replacement calculations, so the state would pay approximately 20% of the levy increase. The increase would be about \$30,000 for FY 2006 and about \$90,000 for FY 2007. PTRC payments are made from the Property Tax Replacement Fund, which is annually supplemented by the General Fund.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** The bill increases the maximum rate for the School Playground Fund from \$0.0067 per \$100 of assessed valuation to \$0.05. Currently, one school, West Lafayette School Corporation, has a School Playground Fund. The levy for CY 2004 is \$41,923 at a rate of \$0.0042. The \$0.05 rate would have raised \$449,080 for CY 2004.

**State Agencies Affected:**

**Local Agencies Affected:** West Lafayette School Corporation.

**Information Sources:** Local Government Database.

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